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COUNTY GOVERNMENT IN NEW YORK STATE

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To state governmental problems with absolute accuracy is very difficult. Local conditions create many modifications which apply to almost any general principle of government that may be laid down; and even the most widely prevalent problem, if stated in sweeping terms, may not be recognized at all in some far separated portions of the geographical or civil division, wherein its existence is general. Nevertheless even a superficial study reveals several prominent and serious defects in our county system of New York State, which, I think, will be generally admitted. Some jurists, with whom these features have been discussed, have declared the defects vital. Be that point as it may, it can easily be shown that they are of such nature as to call for expeditious and grave consideration.

In New York State, as in most of our states, there appear to be two basic faults in the county system. One of these, whether the more or the less important of the two, is that the territorial limits of a county are usually entirely arbitrary, amounting merely to surveyors' lines. The territory included within such limits has no particular unity, and the population within the bounds of the county has no common interest other than to keep the county taxes down to as low a limit as possible. Even this interest is not inspired of any common loyalty to county administration. Perhaps oftener than otherwise it takes the form of resentment and objection—engendered at the time of the presentation of the tax bill and lasting only until a little while after the taxes are paid—against the various phases of administration that have helped the taxes to accrue. There is no common feeling of interest in or loyalty to a county to be developed from such a source.

The other basic defect is that a county of New York State has no head. This point has been discussed in a previous article on county

government in this magazine.¹ It was pointed out there how the various departments of county government, particularly in the larger counties, are independent of one another or of any central authority; how each department's chief administers the affairs of his department in his own way; how the indefiniteness of the statutes enacted to regulate these various departments permits wide variation in administrative practice; and how, in some cases, actual conflict of statutes renders it almost impossible for an administrative officer to comply with any law but what he himself adjudges to be the proper one.

An extended analysis and classification of the functions of the various county officers shows a surprisingly large number of such functions to be in reality services for the state; that is, the regulation of local affairs under state supervision and state direction, even though performed by officials elected from the county by county vote. Many of the so-called county officers are direct subordinates of state officers. A state official, under central control, is not a local representative of the people within the territorial jurisdiction to which he is assigned or from which he is elected. To elect a local officer by the locality vote, with the purpose in the mind of the voters that he shall serve local interests, but to have him by the fact of his election made an officer acting under state authority makes his position anomalous.

Not only the American nation as a whole, but also all our civil divisions down to the smallest village have some kind of a central interest to unify each such division and the population of such division into a distinct political entity—except the county. The county, as it exists, appears to be rather an administrative subdivision of the state than a locally autonomous group of people or of communities. As to what the functions of the county ought to be in this respect, or were intended to be, those most competent to decide such a question do not themselves appear to be clear. I have not been able to trace satisfactorily, as yet, the history of what a musician might call the "county motive" present in the minds of the statesmen responsible for the erection of the county systems of New York State. But the present resultant county structure resembles an attempt to subdivide the state for the facilitation of central administration, but to accomplish the purpose by creating in the minds of the residents and taxpayers of the county the belief that they elect their

¹ THE ANNALS, May, 1912, pp. 194-197.

own county officials to carry out principles of local self-government. The nation has its legislature, its judiciary department, and its chief executive appointing his own departmental heads, and nominating and appointing thousands of other officials. The state has its legislature, its judiciary, and its chief executive appointing many departmental and subsidiary officials and exercising much control over them. The county, in New York State, has a sort of non-descript legislature (the board of supervisors), a judiciary, and *no* executive head, and *no* distinct central control. A township has a modified form of commission government with a chief executive (the supervisor) with a considerable amount of central authority over township matters. A village has its legislative council, its local judiciary, and its chief executive who has a large degree of central authority over village matters. The city has its legislative body, its judiciary and its executive head with a degree of authority over city matters proportionate to that of the governor over the state, of that of the president over the nation.

Why do we sustain and try to warp into a condition of efficiency a governmental structure so widely different from the general American plan as that of the New York State county? It is a broken link in the chain of administrative systems that go to make up our American commonwealth. What good reason can be advanced for creating a municipality, as large and important as the county, and not erecting within it and over it a government corresponding in its general features to that plan which we use in every other municipality or civil division throughout our country?

If county matters, as we know them, are primarily state matters, why not make the primary basis of county government an out and out state-deputy system without any pretense at local autonomy? In reality, it is not absolutely clear why state-deputy rule for counties would not be the most efficient kind of rule. But even with state deputies there would have to be a central directive power for the county district to guard different departmental deputies from conflicting or overlapping duties and responsibilities, and to make sure that no necessary governmental service be overlooked or omitted through uncertainty on the part of individual deputies as to within whose jurisdiction such functions or duties might lie.

If, on the other hand, the county is to be a local municipality, which the county law declares it to be, but which other laws and

various processes of administration make it appear not to be, then it would seem to be the wiser plan, as we have suggested, that the county should be organized on the general plan of the other local municipalities. A chief county executive, be it either a single official or a board, whose powers over county matters would be similar in general to those of the chief executives of other municipalities over their local affairs, or, proportionately, to those of the governor over the state, or to those of the President over the nation, would seem to be the first step necessary to create and unify interest in county administration. The county judiciary we already have, though there may be room for improvement. The county legislature might be made much more effective by relieving it of some of its executive functions and conferring upon it legislative powers subordinated to and consistent with the basic laws of the state and nation, but complete so far as they concern county matters.

In this criticism of the county structure, it is not contemplated that the only thing to be done is to reorganize counties on the general plan of American commonwealths. Nor is it claimed that the president and council plan is the only efficient method of centralizing and unifying county administration, and of creating or solidifying popular interest in the county, or of creating popular loyalty of the character that exists in a village or a city or a state. The same kind of centralization, perhaps a better type, may be brought about by the commission plan. Some new type of government may yet be proposed that will fit the requirements of a republic and yet accomplish the desired unity, efficiency, and centralized interest to a degree not yet conceived by our constructive students of such problems. Moreover, it is not necessary in criticising the *structural* character of county government to include a list of the things that county government ought to accomplish after it is perfected—such, for instance, as detailed study of community needs, investigation of child labor conditions, study of school problems, sanitation, enforcement of pure food laws, scientific regulation of recreations and amusements, or welfare work or economic reconstruction in general. Such things should, of course, be contemplated in the development of a plan to create efficiency under whatever political structure has been once established. The object of the suggestion that the county be placed under the same general type of organization as other municipalities is to put it in a position to carry out these

various purposes with a degree of efficiency which it cannot exercise under its present disorganized condition of a dozen or more different departments, each carrying on its own functions in its own way.

However, the saddest and most discouraging feature of constructive political plans, or of completed governmental machinery when finally erected, is that officeholders do not show an inclination, except in rare instances, to make the most of their opportunities for serving the interests of the community which has chosen them. Human inertia, if that is the correct term for it, seems to keep the well-disposed officials from performing any acts which the law does not expressly compel them to perform. Other motives, of course, cause the opposite type of public officials to take advantage of every opportunity for personal gain which the law and its penalties do not render impossible.

Much might be accomplished in the way of political unity, of solidifying county sentiment, of advancing uniformity of administration, of spreading a common understanding, or at least a common interpretation of county law and of various other laws pertaining to county government by periodically recurrent county conferences of local officials. To illustrate: If we are to go on under our present system in New York State, the tax assessors, for instance, of the various localities might come together at the county capital annually before beginning their tax rolls. In conference there (at which it would be extremely advantageous, if possible, to have present a state official, expert in his knowledge of the tax law), they should reach a common understanding of the exact steps to take in making out their tax rolls, and of the exact ways in which property should be listed on the rolls, in order to conform fully with the tax laws. This annual meeting would undoubtedly give them knowledge and instruction sufficient to enable them to avoid a large majority of the illegal assessments that now prevail upon the local tax rolls, which assessments the courts find no difficulty in setting aside. They might meet again after their rolls were finished to compare their labors, correct structural errors, and arrive at uniformity. The collectors and receivers of taxes might have similar meetings to arrive at a uniform method of making out tax bills, of keeping their accounts, of making their returns to the county treasurer, or other proper official, and to satisfy themselves that such returns may be properly certified. Upon the correctness of these returns rests in large degree

the value of their municipality's assets of tax arrears. The town clerks of the various townships might meet at a county conference at the county capital at least annually for discussion of various phases of their official duties, and learn from the experience of those older and more competent in the service, and likewise have present, if possible, a state official, expert in the knowledge of the duties, responsibilities, privileges and powers of town clerks.

The town supervisors have the advantage of meeting at the county seat frequently during the year for purposes of central county administration. Unfortunately they do not as a rule take advantage of these meetings to discuss the problems of local administration and to learn, one from another, or from state instructors, as mentioned above, the proper interpretation of statutes directing the local functions of their offices, or the most efficient and economic methods of conducting the various phases of their local duties. Thus the supervisors themselves lose a great opportunity to secure tremendous advantages in the line of efficiency and economy. Of course present laws do not require such conferences, and probably only an interest in serving well the people who have elected them to office would cause such officials to hold such conferences.

It is needless to give further illustrations of this type. The gain to be had in efficiency, in economy, in the development of official knowledge and skill by these experience meetings would be difficult to estimate. The resultant confidence, personal satisfaction on the part of the officials themselves, and appreciation on the part of the public, any thoughtful mind must be able to foresee.

A very badly managed element in county administration is the financial provision made for the support of governmental operations. The laws themselves, providing for these things, are largely to blame. The provisions made are general and permit lax methods of budget making and the accumulation of wasteful charges against the county. They do not provide for any competent method of auditing bills or of furnishing the auditing boards adequate information regarding the propriety of charges upon which they are obliged to pass.

The methods of accounting for county funds are equally defective. Up to the end of the nineteenth century, the finances of counties and smaller municipalities were, with few exceptions, in most wretched condition. In recent years the New York legislature has empowered

the state comptroller with a general supervision over the accounts of most of the smaller municipalities and civil divisions and has provided him with a small corps of inspectors or examiners whose duty it is to travel about the state and audit the accounts for the various municipalities. The comptroller himself is authorized to prescribe a uniform system of accounts for each class of municipalities,—that is, a proper system for counties, a proper system for townships, etc. The few accountants at the service of the comptroller are, however, unable in the course of a calendar year to cover more than a small portion of the great number of municipalities in New York State. Thus a large percentage of the comptroller's power to install and to regulate uniformity in these matters throughout the state becomes book power only, being foreshortened by the inadequacy of the forces provided for its execution. He needs a force of at least fifty men to serve all the communities on his list adequately. The comptroller has, however, already accomplished a great deal in the direction of classified, functionally segregated budgets and uniform systems of accounting for the different grades of municipalities under his jurisdiction. Systems being installed by him throughout the state are much in advance of the old ways of providing and accounting for municipal finances. The great faults with the comptroller's systems are that they do not go far enough, that they are not universally adopted, and that with the limited force at his command, he cannot adequately supervise them. It is to be hoped that in any reorganization of the county system in New York State these defects will be remedied.

A proper statutory provision for correct financial administration should take cognizance of at least two elements: first, the right of both the general public and public officials to know; and second, the character and details of the knowledge which such a right comprises. The public officer must have the information before him for his proper guidance. The citizen, the taxpayer, the general public, must have similar information before them to enable them to form judgment concerning the following topics:

- (1) The efficiency and fidelity of public officials and employees.
- (2) The quality and cost of the public services rendered (from which may be determined the economy or waste in the various functions of administration).
- (3) The condition of the public estate at any time.

(4) The propriety of the distribution of service and expenditure among the various community needs.

Efficient administration, economic administration, demands that prior to the beginning of the fiscal year a careful financial plan covering the entire year shall be fully developed and elaborated as minutely as possible in all its details and that the plan shall be adopted by the governing board or legislative body, subject to a provision of law that no detail of expenditure set forth in this plan shall be exceeded by any department without further specific competent authorization of such expenditure. Of course this means nothing more nor less than a scientifically prepared annual monetary budget providing for the expenses of county government. Emphasis is laid upon this point because of the great laxity in existing prevalent methods of budget making. Up to the present, it has been customary to estimate about what the county government will cost, provide a lump sum for each department, and spread the total amount upon the tax roll. This method, of course, leaves to the discretion of departmental officials all question as to how the expenditures shall be made. It leaves entirely to their ability to control their own constituents and to their own standards of honesty the question of how much graft it may be politic for them to derive from the management of their various departments. A scientific plan of budget making, on the contrary, provides a full program comprising:

1. A detailed statement showing:
 - (1) A complete list of the services needed by the county.
 - (2) The things the government intends to do for the county.
 - (3) The relative importance of these things.
2. A careful estimate of the cost of each of the proposed achievements, showing:
 - (1) The cost of the whole operation of the government for the year.
 - (2) The cost of each separate governmental operation.
 - (3) The cost of each principal detail or line of endeavor of each such governmental operation.

Together with such proposals there should be furnished for public information the plans made for financing the foregoing program. Such plans ought to show:

1. A statement of the necessary appropriations (authorizations to be made for expenditures) of funds for each such estimate for the ensuing year.

2. A statement of the amounts of revenues and balances to the credit of the municipality, applicable to meet the expenditures authorized, and the total amount of such resources.

3. A statement of the amounts necessary to be raised by taxes for each such purpose, and of the whole amount so to be raised for all such purposes.

4. A list of all other sources from which revenues are to be derived, stating the amount to be raised from each source to the total amount so to be raised.

The mere adoption and publication of a financial plan, however, known as the budget, made before the year begins, to govern the expenditures for governmental operations during the year is not all that is needed for good fiscal administration. In addition, both the public and its political servants must, as the year progresses, be kept informed as to how the plans thus outlined and published are working out and as to the character of the results being obtained from the uses of the public funds authorized in the plan. Therefore it is necessary that there shall be at stated periods during the year a public accounting, published in an inexpensive form, disclosing accurately and fully the following information to anyone seeking it.

1. The exact financial condition at the beginning and that at the end of the accounting period (current balance sheet).

2. The actual cost of each operation or line of endeavor and of each detail or function thereof during the period.

3. A comparison of such cost with the cost of similar items for similar previous periods.

4. At the end of the last accounting period, such information given in totals also for the year.

Perhaps once every three months would be often enough to make such information public. Certain departments in certain counties are accustomed to publish quarterly reports. For example, county treasurers publish quarterly statements of receipts and disbursements, but the receipts are usually total receipts, and disbursements are usually long lists of warrants on the treasurer for various expenditures unanalyzed and not conveying to the public further information than that such amounts have been paid. Enlightenment as to why they have been paid and what need there was for the payment, such reports do not furnish.

Periodical accounting, however, even though full and correct,

conveys to the public only the knowledge of the current progress of the financial plan. At the end of the fiscal year, which the financial plan was designed to cover, a different character of report is essential. The annual financial report should show the actual handling of cash and current funds, in such form that the taxpayer may compare actual receipts for the entire year with the revenues contemplated in the budget statement at the beginning of the year and actual disbursements for the entire year with the expenses provided for in the budget.

The annual statement should show the following details:

1. Receipts:

- (1) Net receipts for the year (exclusive of funds transferred from one account to another).
- (2) What parts of such receipts are from the proper revenues of previous years.
- (3) What parts are from the revenues of the year just closed.
- (4) Along with (3) should be stated the amount of the current revenues still outstanding.

2. Disbursements:

- (1) What were for bills of the current year.
- (2) What were for bills held over from previous years to be paid out of current funds.
- (3) Total net disbursements (exclusive of transfers from one fund to another).

3. What balances remain on hand from each item of appropriation, showing:

- (1) To what extent and for what purposes such balances are held in reserve.
- (2) To what extent they are free for appropriation for other uses.

Somewhere in the annual report a statement should be displayed of the actual financial condition of the county at the end of such fiscal year including all realizable assets and all standing liabilities. Professional accountants would probably recommend that this statement, which is merely the annual balance sheet, should be placed at the beginning of the annual report.

Having spoken of the assets and liabilities of a county, it seems essential at this point to refer to certain accounts which municipalities carry on their ledgers as available assets, but the realization of which

becomes more and more dubious every year, namely, the uncollected tax levies of two or more years' standing. Many of these are based upon forms of assessments which the courts have repeatedly declared invalid. Their collection cannot be enforced at law. It is only hoped by the municipality that in case of possible sale of the delinquent property the owner will pay up all arrears in order to give clear title to the purchaser, or that by holding over the delinquent property owner the prospect of long litigation, to defend his non-payment of taxes, thus making accumulated legal fees much more costly than the amount of the taxes themselves, he will choose the alternative of paying the taxes rather than fighting them through the courts. Both of these are slender foundations upon which to base the hopes of realizing such assets. Indeed a very recent decision of the Appellate Court of New York State—in which all the judges were unanimous—probably renders invalid all tax sales held in the county of Westchester since 1896. In this county, therefore, the total reduction of municipal assets through this decision may amount to millions of dollars. Consequently, such assets as these, the county and its various municipalities should either write off as losses (as an ordinary business man would) or else take steps, as some of the more progressive counties in the state are now attempting to do, to reinforce the validity of such assets by revising methods of assessment and levy of taxes in such a way that every such asset will be worth its face value.

A municipality that can produce a balance sheet, showing its exact financial condition, its assets and liabilities stated at their actual value, has very little trouble in disposing of its bonds or certificates of indebtedness when it is necessary to go to bankers for the purpose of raising money by such means.

Though perhaps not needed for the purpose of clarifying the foregoing argument, the following specimen of county accounting will undoubtedly prove entertaining to readers of this paper, and cannot fail to emphasize the need of revised systems of records and reports. It is taken from the actual showings of a large county of New York State. The first two columns are made up from published county reports. The third column is made up by an independent investigator from actual examination of the paid vouchers on file in the county offices. The figures are from a recent year and the discrepancies shown are about on a par with those of other years:

Department or Function	Budget Appropriation (published)	Treasurer's Report (published)	Actual Expenditures (not published)
Board of supervisors.....	\$25,600.00	\$32,183.78	\$65,196.75
Surrogate.....	16,000.76	15,724.95	20,182.18
Treasurer.....	7,500.00	7,500.00	19,991.16
Register.....	none	1,210.00	35,257.69
District attorney.....	10,300.00	10,300.00	13,826.75
Sheriff (exclusive of jail).....	20,100.00	24,456.39	35,841.38
Justices and constables.....	none	none	9,661.60
Coroners.....	8,000.00	8,000.00	18,543.36
Superintendent of the poor (all purposes)	17,845.61	108,906.58	118,464.33
Courts.....	100,000.00	113,873.54	161,334.47
County buildings and grounds.....	4,936.73	5,616.05	19,088.46
Armories.....	15,190.00	14,280.49	15,698.68
Jail.....	5,400.00	8,937.93	14,950.06
Highways and bridges.....	none	38,200.97	43,075.78
Election expenses.....	none	none	69,712.79

Of course the above items do not include the complete statement of the county's disbursements. They are only selected items. A large item provided for in the budget as "County audited bills, \$237,663.06," has been mostly classified and distributed, by the investigator, among the items in the third column above. But there is no correspondence between the total amounts, even with the reported budget and the reported disbursements given in full. Nothing more need be said as to the need of better accounting and reporting.

The reports of the comptroller's examiners regarding the counties they have visited show similar conditions prevalent in various parts of the state. Therefore the example given above may be taken as fairly typical of New York State's county finances.

There are many other problems and phases of county government to be considered in a complete plan of reconstruction, but the foregoing features seem to be most prominent and most important. New York State may well take lessons from some of its younger sisters in the management of such matters. All the states should hail with enthusiasm the bold advances being made in county government reform by the Pacific members of our Union, California and Oregon. The proposals of Oregon are radical in the extreme, but I cannot help regarding them as based upon common ordinary business sense, stripped of the restrictions of canting sentiment and throwing down fearlessly some of our badly built walls of precedent.

The Oregon plan is building anew instead of shoring the tottering old with clumsy props.

Mr. Thomas L. Hinckley, director of the Westchester County Research Bureau, says in a recently published bulletin² that the admission of county shortcomings in New York State is general, and that the remedy is within the easy reach of the people. "The worst of it is . . . that most persons, including administrative officials, are inclined to sit helpless under the load and profess inability to mend matters" in New York State. "In California, they have gotten bravely past this infantile attitude. . . . As an example of what an intelligent American community can do towards raising the status of local government, the Los Angeles county charter is the most inspiring document which has appeared in many years. It marks an epoch in local government in the United States. The very idea of a county charter would seem revolutionary to many citizens in these parts, and that such a thing has actually been adopted by a progressive electorate will scarcely be believed."

What the Californians can do, what the Oregon people can do, what other progressive states can do in local government reform, New York ought to be able to do. If the younger states can progress so far, the older states, particularly one of the oldest and the wealthiest and most populous of the Union, ought to be able to advance much farther on the road of genuine progress.

² *Efficiency in County Government—The Los Angeles County Charter.*